

**IN THE UNITED STATES DISTRICT COURT FOR THE
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

UNITED STATES OF AMERICA,)	
)	
Plaintiff,)	Case No. 4:22-2632
)	
v.)	
)	
JEFFREY M. GARRETT,)	
LAKEVIEW LOAN SERVICING, LLC, and)	
MARLENE ELIZABETH RAWLS,)	
)	
Defendants.)	
_____)	

COMPLAINT

As authorized and directed pursuant to 26 U.S.C. §§ 7401 and 7403, at the direction of the Attorney General of the United States or his delegate, the United States of America brings this action against Defendant Jeffrey M. Garrett to (1) reduce to judgment delinquent federal income tax assessments for tax years 2010 through 2018; and (2) enforce the associated federal tax liens for the foregoing delinquent taxes on property owned by Mr. Garrett that is located in Harris County, Texas.

JURISDICTION AND VENUE

1. This Court has jurisdiction pursuant to 26 U.S.C. §§ 7402(a) and 7403(c), and 28 U.S.C. § 1331, 1340, and 1345 because this action arises under federal tax law and the United States is the plaintiff.

2. Venue is proper pursuant to 28 U.S.C. §§ 1391(b) and 1396 because Mr. Garrett resides in this district, the real property for which the foreclosure is sought is situated in this district, and the federal tax liabilities at issue accrued within this district.

PARTIES

3. Plaintiff is the United States of America.

4. Mr. Garrett resides at Harris County, Texas, and is the taxpayer whose unpaid federal income tax liabilities have given rise to the federal tax liens that are being enforced in this action.

5. Defendant Lakeview Loan Servicing, LLC is named as a defendant pursuant to 26 U.S.C. § 7403(b) as a party who may claim an interest in the subject property because it has a recorded lien against the property. Lakeview Loan Servicing, LLC is a Florida limited liability company and it may be served care of its registered agent in Texas Corporation Service Company d/b/a CSC-Lawyers Incorporating Service Company at 211 E. 7th Street, Suite 620, Austin, Texas 78701.

6. Defendant Marlene Elizabeth Rawls is named as a defendant pursuant to 26 U.S.C. § 7403(b) as a party who may claim an interest in the subject property because, upon information and belief, she currently resides at the property.

PROPERTY AT ISSUE

7. The real property that is the subject of this action is located at 18646 Mosshill Estates Lane, Cypress, Texas 77429 ("the Property"), and is more fully described as follows:

LOT TWO (2), IN BLOCK TWO (2), OF CYPRESS MILL ESTATES,
SECTION THREE (3), A SUBDIVISION IN HARRIS COUNTY, TEXAS,
ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN FILM
CODE NO. 442009 OF THE MAP RECORDS OF HARRIS COUNTY, TEXAS.

8. Mr. Garrett holds title to the Property. He acquired title to the Property by a special warranty deed with vendor's lien dated January 29, 2008. That same day, Mr. Garrett

entered into a deed of trust with Cornerstone Mortgage Company, which created a lien on the Property.

9. On September 9, 2019, Cornerstone Mortgage Company assigned its rights in the Deed of Trust to Lakeview Loan Servicing, LLC.

COUNT ONE
(Claim to Reduce Mr. Garrett's Tax Liabilities to Judgment)

10. A delegate of the Secretary of the Treasury assessed against Mr. Garrett federal income (Form 1040) taxes, penalties, interest, and statutory additions ("the Income Tax Liabilities") on the dates and for the periods as set forth in the chart below. The Income Tax Liabilities are based on the Forms 1040 that Mr. Garrett voluntarily filed with the Internal Revenue Service.

TAX YEAR	ASSESSMENT DATE	AMOUNT	TYPE OF ASSESSMENT	BALANCE DUE*
2010	8/13/2012	\$55,919.00	TAX	\$68,346.72
		\$506.00	ESTIMATED TAX PENALTY	
		\$12,581.77	LATE FILING PENALTY	
		\$4,473.52	FAILURE TO PAY PENALTY	
		\$2,860.91	INTEREST	
	3/10/2014	\$3,199.80	INTEREST	
		\$7,760.10	FAILURE TO PAY PENALTY	
	3/16/2015	\$2,215.63	INTEREST	
2011	2/25/2013	\$70,410.00	TAX	\$147,916.91
		\$1,353.09	ESTIMATED TAX PENALTY	
		\$12,673.80	LATE FILING PENALTY	
		\$3,872.55	FAILURE TO PAY PENALTY	
		\$1,987.47	INTEREST	
	3/10/2014	\$2,849.31	INTEREST	
		\$8,097.15	FAILURE TO PAY PENALTY	
	3/16/2015	\$3,134.65	INTEREST	
2012	11/18/2013	\$5,632.80	FAILURE TO PAY PENALTY	\$45,023.10
		\$25,425.00	TAX	
		\$456.00	ESTIMATED TAX PENALTY	
		\$1,017.00	FAILURE TO PAY PENALTY	
	3/10/2014	\$457.52	INTEREST	
		\$252.97	INTEREST	

Tax Year	Assessment Date	Amount	Type of Assessment	Balance Due*
	3/16/2015	\$635.62	FAILURE TO PAY PENALTY	
		\$874.48	INTEREST	
		\$3,305.25	FAILURE TO PAY PENALTY	
2013	12/08/2014	\$37,838.00	TAX	\$65,755.15
		\$507.00	ESTIMATED TAX PENALTY	
		\$1,702.71	LATE FILING PENALTY	
		\$1,513.52	FAILURE TO PAY PENALTY	
		\$751.83	INTEREST	
	3/16/2015	\$342.19	INTEREST	
		\$1,324.33	FAILURE TO PAY PENALTY	
2014	3/07/2016	\$19,683.00	TAX	\$32,141.08
		\$353.00	ESTIMATED TAX PENALTY	
		\$1,082.56	FAILURE TO PAY PENALTY	
		\$535.86	INTEREST	
2015	3/06/2017	\$7,588.00	TAX	\$13,385.24
		\$1,365.84	LATE FILING PENALTY	
		\$189.70	FAILURE TO PAY PENALTY	
		\$138.22	INTEREST	
2016	9/16/2019	\$5,008.00	TAX	\$8,992.46
		\$1,126.80	LATE FILING PENALTY	
		\$751.20	FAILURE TO PAY PENALTY	
		\$732.57	INTEREST	
2017	9/16/2019	\$12,208.00	TAX	\$21,254.07
		\$133.00	ESTIMATED TAX PENALTY	
		\$2,746.80	LATE FILING PENALTY	
		\$1,098.72	FAILURE TO PAY PENALTY	
		\$1,108.29	INTEREST	
2018	11/11/2019	\$2,585.00	TAX	\$3,708.42
		\$84.00	ESTIMATED TAX PENALTY	
		\$90.47	FAILURE TO PAY TAX PENALTY	
		\$80.98	INTEREST	
TOTAL				\$406,523.15

*As of August 5, 2022. Balance due reflects assessed taxes plus interest and statutory additions as allowed by law less any credits, including payments received.

11. A delegate of the Secretary of the Treasury properly gave notice of the taxes, interest, and penalties described above to Mr. Garrett. Despite notice and demand, Mr. Garrett has failed and refused to pay in full the balance of the assessments. As of August 5, 2022, Mr.

Garrett owes \$406,523.15 on account of the assessments, plus interest and penalties that continue to accrue.

12. This action has been commenced within the applicable statute of limitations. Generally, the United States has ten years from the date of assessment to file suit to collect an unpaid tax liability. 26 U.S.C. § 6502(a)(1). The above-referenced unpaid tax liabilities were all assessed within the last ten years.

13. Pursuant to 26 U.S.C. § 7402, the United States is entitled to a judgment that Mr. Garrett is liable to the United States for the Income Tax Liabilities in the amount of \$406,523.15 as of August 5, 2022, plus statutory additions, and prejudgment and post judgment interest thereon at the rates set forth in 26 U.S.C. § 6601, 6621 and 28 U.S.C. § 1961(c), until paid.

COUNT TWO
(Claim to Enforce Federal Tax Liens Against Real Property)

14. Pursuant to 26 U.S.C. § 6321, liens for unpaid federal taxes in favor of the United States arose upon assessment of the taxes described above and attached to all property and rights to property belonging to Mr. Garrett, including his interest in the Property.

15. On January 6, 2014, the IRS recorded a Notice of Federal Tax Lien with the Clerk of the Circuit Court for Harris County, Texas, relating to Mr. Garrett's assessed liabilities for the tax years 2010 and 2011 (as discussed above in paragraph 10).

16. On February 17, 2016, the IRS recorded a Notice of Federal Tax Lien with the Clerk of the Circuit Court for Harris County, Texas, relating to Mr. Garrett's assessed liabilities for the tax years 2012 and 2013 (as discussed above in paragraph 10).

17. On April 26, 2016, the IRS recorded a Notice of Federal Tax Lien with the Clerk of the Circuit Court for Harris County, Texas, relating to Mr. Garrett's assessed liabilities for the tax year 2014 (as discussed above in paragraph 10).

18. On December 23, 2019, the IRS recorded a Notice of Federal Tax Lien with the Clerk of the Circuit Court for Harris County, Texas, relating to Mr. Garrett's assessed liabilities for the tax years 2015, 2016, 2017, and 2018 (as discussed above in paragraph 101).

19. As the Income Tax Liabilities remain unpaid, the United States is entitled, pursuant to 26 U.S.C. § 7403, to a judgment enforcing its federal tax liens described above against the Property by foreclosure sale or other court orders. In particular, the United States is entitled to have the entire Real Property sold in a judicial sale, or by a receiver appointed for that purpose, free and clear of any rights, titles, liens, claims, or interests of any of the parties to this action, including any rights of redemption, with the proceeds of the sale being paid first to the costs of the sale and then second, to the United States to pay the tax liabilities described above; and, third, to the other parties in accordance with the law; or, as otherwise determined by the Court in accordance with the law.

WHEREFORE, the United States requests that this Court enter judgment determining:

(A) Defendant Jeffrey M. Garrett is liable to the United States for the Income Tax Liabilities in the amount of \$406,523.15 as of August 5, 2022, plus statutory additions, and pre-judgment and post-judgment interest thereon at the rates set forth in 26 U.S.C. §§ 6601 and 6621 and 28 U.S.C. § 1961(c), until paid.

(B) That the United States has valid and subsisting federal tax liens that arose with the assessments described in paragraph 10, and attached to all of the property and rights to property of Mr. Garrett including his interest in the Property;

(C) That the federal tax liens arising from Defendant Jeffrey M. Garrett's federal income tax liabilities for the tax years 2010 through 2018 be foreclosed or enforced by other court orders against the real property located at 18646 Mosshill Estates Lane, Cypress, Texas 77429; that the real property located at 18646 Mosshill Estates Lane, Cypress, Texas 77429 be sold free and clear of any right, claim, or interest of all parties to this action with the proceeds of the sale be distributed: first, to pay the costs and expenses of the sale, including any costs and expenses incurred to secure and maintain the Real Property; second, to the plaintiff United States to pay the liabilities set forth above; and, third, to the other parties in accordance with the law; or, as otherwise determined by the Court in accordance with the law; and

(D) Award the United States such other and further relief as this Court deems just and proper, including judgment for an amount equal to its costs incurred in this action and for any surcharge authorized by 28 U.S.C. § 3011.

Dated: August 5, 2022

Respectfully submitted,

DAVID A. HUBBERT
Deputy Assistant Attorney General

/s/ Mary Elizabeth Smith
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